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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/593,554	06/14/2000	STUART A. FRASER	CF/006	7904

1473 7590 11/10/2004  
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EXAMINER

SUBRAMANIAN, NARAYANSWAMY

ART UNIT PAPER NUMBER

3624

DATE MAILED: 11/10/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/593,554

Applicant(s)

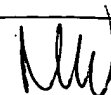
FRASER ET AL.

Examiner

Narayanswamy Subramanian

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 19 August 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 16,24-32 and 47-90 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 16,24-32 and 47-90 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                   | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. This communication is in response to the request for continued examination filed on August 19, 2004. Amendments to claims 16, 47, 57, 67, 75 and 83 have been entered. Claims 16, 24-32 and 47-90 are pending and have been examined. The objections, rejections and response to arguments are stated below.

#### ***Specification***

2. Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The abstract provided exceeds 150 words. Correction is required.

#### ***Claim Rejections - 35 USC § 101***

3. Claims 16, 24-32 and 67-74 of the invention are directed to non-statutory subject matter. Claims 16, 24-32 and 67-74 are drawn to methods for electronic trading that is not tied to any technological art. These claims are directed to non-statutory subject matter because they lack any recitation of technology in the body of the claims, which is required in order to meet the statutory requirements. The Patent Office has taken the position that some form of technology must be claimed in the body of the claim. The Board of Patent Appeals and Interferences has stated that claims lacking any technology are “nothing more than [an] abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution.” *Ex parte Bowman*, 61 USPQ2d 1669, 1671 (Board Pat. App. & Inter. 2001) (Unpublished). While it is understood that the Bowman case is not precedential, it is cited herein for its content and reasoning.

***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 16, 24-27, 31-32, 47-51, 55-61, 65-71, 75-79 and 83-87 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gary (US Patent 6,618,707).

With reference to claims 16, 47, 57, 67, 75 and 83, Gary teaches methods and systems respectively for electronic trading, the method comprising: receiving bid or offer orders from a trader (See Gary Claim 1); receiving a trade command to hit or take at least one of the orders (See Gary Claim 1); determining whether the trader qualifies for an incentive for making a market associated with the orders received (See Gary Column 4 line 66- Column 5 line 3 and Claim 1); and for a period of time, providing the trader with an exclusive opportunity in trading if the trader qualifies for the incentive (See Gary Column 4 line 66- Column 5 line 3 and Claim 3). The network, computing workstations and the means for performing the steps in the method are inherent in the disclosure of Gary. The limitation “for a period of time” is given its broadest possible interpretation to include a range of time from an instant to infinity. Hence this limitation is inherent in the disclosure of Gary.

With reference to claims 24-27, 31-32, 48-51, 55-56, 58-61, 65, 66, 68-71, 76-79 and 84-87, Gary teaches incentives based on volume of the orders (See Gary Column 4 line 66- Column 5 line 3), spread of the orders (See Gary Claim 68, quotations involving a sale and purchase

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implies a spread), price of the orders (See Gary Column 6 lines 4-8) and size of the orders (See Gary Column 16 lines 32-42) received from the trader respectively; determining how to provide the incentive to the trader and another incentive to another trader when both the incentive and the other incentive are due concurrently (See Gary Column 16 lines 24-28) and enabling the trader to determine incentives that have been earned by the trader in substantially real time as the incentives are earned (See Gary Column 2 lines 25-27).

6. Claims 28-30, 52-54, 62-64, 72-74, 80-82 and 88-90 are rejected under 35 U.S.C. 103(a) as being unpatentable over Gary (US Patent 6,618,707) in view of May (US Patent 6,421,653 B1).

With reference to claims 28-30, 52-54, 62-64, 72-74, 80-82 and 88-90 Gary teaches methods and systems of claims 16, 47, 57, 67, 75 and 83 as discussed above.

Gary does not explicitly teach incentives based on duration of the orders received from the trader, cancellations of earlier orders by the trader or a credit rating of the trader.

May teaches incentives based on duration of the orders received from the trader (See May Column 37 lines 28-36), cancellations of earlier orders by the trader (See May Column 38 lines 15-22) or a credit rating of the trader (See May claims 18 and 21).

It would have been obvious to one with ordinary skill in the art at the time of invention to include the disclosure of May to the invention of Gary. The combination of the disclosures taken as a whole suggests that the counterparty would have benefited from the knowledge that the parties to the transaction have sufficient credit to complete the transaction.

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*Response to Arguments*

7. Applicant's arguments with respect to claims 16, 24-32 and 47-90 have been considered but are moot in view of the new ground(s) of rejection.


*Conclusion*

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dr. Narayanswamy Subramanian whose telephone number is (703) 305-4878. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached at (703) 308-1065. The fax number for Formal or Official faxes and Draft or Informal faxes to Technology Center 3600 or this Art Unit is (703) 305-7687.

Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

N. Subramanian  
November 4, 2004

 11/4/04  
Jagdish N. Patel  
Primary Examiner